

## R E M A R K S

Prior to entry of this Amendment:

- Claims **1-40** were pending
- Claims **1-40** were rejected

Upon entry of this Amendment, which is respectfully requested for the reasons set forth below:

- Claims **1-40** will be pending (40 claims total)
- Claims **1, 15, 16, 20, 21 and 34** will be amended
- Claims **1, 15-17, 19-21, and 34** will be the only independent claims (8 independent claims)

### **A. Telephone Interview**

We would like to thank the Examiner for the helpful telephone conversation held on January 13, 2005 with our representative.

The Examiner and our representative discussed independent Claims **1 and 15** in light of the cited Jagadish reference.

Our representative stated that Jagadish does not seem to have anything to do with applying for a financial account. The Examiner and our representative agreed that Jagadish does not explicitly disclose receiving an application for a financial account, as recited in Claims **1 and 15**.

The Examiner stated that receiving an application for a financial account is "inherent" in the Jagadish reference. The Examiner stated that a financial account cannot be established for a customer unless an application for the financial account is received. The Examiner did not indicate any evidence of record supporting this assertion.

Our representative stated that charging amounts for transactions to a customer's financial account (as generally described in Jagadish) does not suggest crediting (or paying) an amount to the same financial account for which the application is received, as generally recited in Claims **1 and 15**. The Examiner did not agree.

While no formal agreement was reached, we are grateful for the opportunity to discuss the present application with the Examiner.

**B. Claim Amendments****B.1. Claims 1, 15, 16, 20, 21 and 34 have been amended**

Independent Claims **1, 15, 16, 20, 21 and 34** have been amended without prejudice. Claims **1, 15, 16, 20, 21 and 34** have been canceled solely in order to expedite issuance of the present application. We intend to pursue the subject matter of the claims, as originally filed, in a continuing application.

**C. Section 101 Rejection**

Claims **1-16 and 20-40** are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. “Specifically the method claims as presented do not claim a technological basis in the pre-amble and the body of the claim.” [Office Action, page 2].

The proper legal standard for statutory subject matter was not applied to the rejected claims. In fact, applying the proper legal standard demonstrates that all claims are directed to statutory subject matter. All the rejected claims include a limitation generally directed to finalizing a transaction (or return), determining whether an application for a financial account is approved, or approving an application for a financial account. Thus, all pending claims produce a useful, concrete and tangible result. The processes claimed can by no stretch of the imagination be classified as “abstract ideas” and are thus properly defined statutory processes.

Although we do not believe that any such amendment is necessary for patentability, each of independent Claims **1, 15, 16, 20, 21, and 34** has been amended to recite in which at least one recited step is performed *via a processing device*.

Accordingly, we respectfully request the Examiner withdraw the Section 101 rejection of Claims **1, 15, 16, 20, 21, and 34**.

**D. Section 102(e) Rejection**

Claims **1,3,7-8, 10, 12, 17-19,21-22,26,28-30,34-36, and 39-40** stand rejected under 35 U.S.C. 102(e) as being anticipated by U.S. Patent No. 6,105,863 issued to Jagadish (“Jagadish”). We respectfully traverse the Examiner’s Section 102(e) rejection.

**D.1. Independent Claims 1, 17, and 19**

We respectfully submit that Claims **1, 17 and 19** are not anticipated by Jagadish. Jagadish does not teach or suggest all of the features of independent Claims **1, 17, and 19**.

**D.1.1. Col. 4 lines 5-17 of Jagadish**

Jagadish generally relates “to billing of charges to credit cards...and other financial accounts.” [Column 1, lines 5-7]. Jagadish describes a system for “processing transaction charges from continuing billing arrangements that allows such charges to continue to be authorized after the account number to which the charges are directed has been invalidated....” [Column 1, lines 56-60].

The Examiner seems to assert at pages 3-4 of the Office Action that all of the features of Claims **1, 17 and 19** are disclosed in Col. 4, lines 5-17 of Jagadish, provided here:

If a credit or debit card is invalidated, the associated account may not be invalidated. In this situation, transaction charges that include the security key may continue to be charged to the originally authorized account number. However, if the originally authorized account is closed, transaction charges cannot continue to be billed to that account. In this situation, the customer may provide the clearinghouse with a substitute account number, to which charges may be made. Additional transaction charges that are made to the original account number, but which include the security key, are charged to the substitute account, while charges that do not include the security key are rejected.

**D.1.2. Jagadish does not teach receiving an authorization to pay [or to credit] an amount to a financial account for which an application is also received**

The Examiner asserts that Jagadish teaches subject matter suggesting receiving an application for a financial account and an authorization to pay [or to credit] an amount to that same financial account . [Office Action, page 3]. We respectfully traverse this assertion.

The Examiner agrees with us that Jagadish does not explicitly disclose receiving an application for a financial account.

The Examiner asserted during the Telephone Interview, however, that such receiving is inherently taught by Jagadish. We do not agree.

Inherent anticipation requires that the missing descriptive material is necessarily present, not merely probably or possibly present, in the prior art. Trintec Indus., Inc. v. Top-U.S.A. Corp., 295 F.3d 1292, 1295, 63 USPQ2d 1597,

1599 (Fed. Cir. 2002). “[A] prior art reference may anticipate without disclosing a feature of the claimed invention if that characteristic is necessarily present, or inherent, in the single anticipating reference.”. Schering Corp. v. Geneva Pharm., Inc., 339 F.3d 1373, 1377 (Fed. Cir. 2003).

Thus, the critical question for inherent anticipation is whether, as a matter of fact, practicing the asserted invention necessarily featured or resulted in receiving an application for a financial account, as recited in Claims 1, 17, and 19. The Toro Co. v. Deere & Co., 355 F.3d 1313, 1320, 69 U.S.P.Q.2D (BNA) 1584 (Fed. Cir. 2004). The Examiner has not even attempted to address this critical question. Accordingly, no *prima facie* case of anticipation has been established for any of Claims 1, 17, and 19.

Further, we have reviewed Jagadish, including the portion cited by the Examiner (Column 4, lines 5-17), but cannot identify any hint of an authorization to pay [or to credit] an amount to the same account being applied for.

As we best understand the rejection, the Examiner is asserting that billing transaction charges to a financial account teaches an authorization to pay [or to credit] an amount to a financial account. If this understanding is correct, we respectfully disagree with the Examiner’s unconventional characterization of “charging” and “billing” as those concepts are discussed in the Jagadish system.

We respectfully submit that charges to a financial account do not suggest the payment [or crediting] of an amount to an account. It is conventional to describe the act of paying or transferring an amount of funds to an account as “to credit the account” or “crediting the account.” For instance, if a deposit is made to a savings account, such a payment may be described conventionally as a “credit to the account” (as opposed to a debit or charge to the account).

As indicated by the claims and in light of the Specification, we have generally used the expression, to pay [or to credit] an amount to an account, in describing the providing of an amount of funds to an account to pay an individual. [See, e.g., Specification, page 6, lines 3-4]. In contrast, “charges” do not fairly suggest to pay [or to credit] an amount to an account, as they do not suggest payment to that account.

Jagadish, including the cited portion (provided above), is devoid of any hint or suggestion of receiving an application for a financial account and an authorization to pay [or to credit] an amount to the same financial account.

Accordingly, Jagadish does not suggest any of the features of:

- *receiving an application for a financial account and an authorization to pay a first amount to the financial account*

as generally recited in Claims **17 and 19**; or

- *receiving an application for a financial account and an authorization to credit a first amount to the financial account*

as recited in Claim 1.

**D.1.3. No need in Jagadish for receiving an authorization to pay [or to credit]**

There is no suggestion in the continuous billing arrangement system of Jagadish of receiving an authorization to pay or credit any amount to an account being applied for. Accordingly, there is no suggestion of the desirability of paying or crediting any amount to an account, much less a need for receiving an authorization to do so.

**D.1.4. Conclusion**

Applicants respectfully submit that independent Claims **1, 17, and 19** contain allowable subject matter. Claims **3, 7, 8, and 10-12** are dependent from Claim 1. Claim **18** depends from Claim **17**. The Examiner's reconsideration of the Section 102(a) rejection of Claims **1, 3, 7, 8, 10-12, 17 and 19** is respectfully requested.

**D.2. Claims 10, 12, and 15**

Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case of anticipation of Claims **10, 12 and 15**.

**D.2.1. Jagadish does not teach or suggest receiving an authorization to pay [or to credit] an amount to a financial account for which an application is also received**

Claims **10 and 12** depend from Claim **1** and are believed to be patentable for at least the reasons stated above with respect to Claim **1**. In particular, Jagadish does not teach or suggest receiving an authorization to credit an amount to the same financial account for which an application was received, as generally recited in Claim **1**.

**D.2.2. Jagadish does not teach or suggest paying [or crediting] an amount using a substitute collection technique if an application for a financial account is refused**

There is no suggestion in Jagadish of paying or crediting an amount using a substitute form of collection if an application for a financial account is declined.

The cited portion of Jagadish relied upon by the Examiner describes a situation in which an original, valid account was used to set up a continuous billing arrangement. If the original account is invalidated, a customer may provide a substitute account number to a clearinghouse, and any continuous charges would be charged against the substitute account.

The Jagadish has nothing to do with whether an application for a financial account is approved or refused. The Examiner appears to be equating an “invalidated” account with an application for an account that is refused. There is nothing in Jagadish or explained in the Office Action to support this interpretation of Jagadish.

The Examiner asserts that Jagadish teaches “declining the application and crediting the substitute form of collection by a second amount.” [Office Action, page 4]. We respectfully traverse this assertion. In fact, Jagadish, as discussed above, teaches charging amounts. Also, there is nothing in Jagadish remotely related to declining an application for a financial account.

Thus, contrary to the Examiner’s assertion, Jagadish does not even remotely suggest crediting or paying an amount via a substitute form of collection if an application for a financial account is rejected, refused, or declined. We have carefully reviewed Jagadish, including the cited portion (Column 4, lines 5-17), and can find no hint of such a feature.

Thus, Jagadish does not teach or suggest any of the features generally directed to:

- *determining a second payment amount to be paid using the substitute collection technique if the application for a financial account is rejected*

as recited in independent Claim 15;

- *declining an application for a financial account and crediting a second amount using a substitute form of collection*

as recited in independent Claim 10; or

- *crediting a second amount using the substitute collection technique if the analysis indicates a refusal of the application*

as recited in independent Claim 12.

Accordingly, the Examiner has failed to establish a *prima facie* case of anticipation of any of Claims **10, 12 and 15**. We respectfully request the Examiner's reconsideration of the patentability of Claims **10, 12, and 15**.

### **D.3. Claims 21 and 34**

The Examiner has not established a *prima facie* case of anticipation of independent Claims **21 and 34**.

Specifically, as discussed above with respect to Claim 1, Jagadish does not even remotely suggest receiving an application for a first financial account from an applicant or receiving an authorization to credit a first payment amount to the first financial account.

Also, as discussed above with respect to Claim 15, Jagadish does not even remotely suggest crediting a payment amount using a substitute form of collection if an application for a first financial account is denied.

Thus, nothing in Jagadish teaches or suggests any of the following features:

- *receiving an application for a first financial account from an applicant*
- *receiving an authorization to credit a first payment amount to the first financial account*
- *receiving an authorization to credit a second payment amount using the substitute form of collection if the application is declined*
- *providing the first payment amount to the applicant if the application is approved*

as recited in independent Claim 21; or

- *receiving an application for a first financial account from an applicant*
- *receiving an authorization to credit a first payment amount to the first financial account*
- *receiving an authorization to credit a second payment amount using the substitute form of collection if the application is declined*
- *determining whether the application for the first financial account is rejected*
- *providing the second payment amount to the applicant if the application is rejected*

as recited in independent Claim 34.

Accordingly, the Examiner has failed to establish a *prima facie* case of anticipation of Claims **21 and 34**. Claims **22-33 and 35-40** depend from Claims **21 and 34**, respectively, and are believed to be patentable for at least the same reasons as Claims **21 and 34**. We respectfully request the Examiner's reconsideration of the patentability of Claims **21 and 34**.

#### **D.4. Claims 22 and 36**

Jagadish does not hint or suggests that an applicant for a financial account is a seller of at least one item, as recited in Claims **22 and 36**. The Examiner does not even mention this feature.

Accordingly, the Examiner has failed to establish a *prima facie* case of anticipation of Claims **22 and 36**. We request that the Examiner reconsider the patentability of Claims **22 and 36**.

### **E. Section 103(a) Rejection**

Claims **2, 4-6, 9, 11, 13-14, 16, 20, 23-25, 27, 31-33, and 37-38** stand rejected as obvious over Jagadish in light of Walker. We do not agree with this rejection.

#### **E.1. Claims 2, 4-6, 9, 11, and 13-14**

Claims **2, 4-6, 9, 11, and 13-14** depend from Claim **1**. For at least the reasons stated above with respect to Claim **1**, the Examiner has failed to establish that any combination of the cited references teaches all of the features of any claim dependent from Claim **1**.

#### **E.2. Claims 27, 31-33, and 38**

Claims **27, 31-33, and 38** depend from Claim **21**. For at least the reasons stated above with respect to Claim **21**, the Examiner has failed to establish that any combination of the cited references teaches all of the features of any claim dependent from Claim **21**.

#### **E.3. Claim 16**

The Examiner has not established a *prima facie* case of obviousness of Claim **16**.

As discussed above with respect to Claim 1, Jagadish does not even remotely suggest receiving an application for a first financial account from an applicant or receiving an authorization to credit a first payment amount to the first financial account. Also, Jagadish does not even remotely suggest approving an application for a financial account and crediting a payment amount to the financial account applied for.

Accordingly, the Examiner has failed to establish a *prima facie* case of obviousness for Claim 16.

#### E.4. Claim 20

The Examiner has not established a *prima facie* case of obviousness of Claim 20.

As discussed above with respect to Claim 1, Jagadish does not even remotely suggest receiving an authorization to pay an amount to financial account, much less an authorization to pay both a purchase price and an incentive amount to a financial account, as recited in Claim 20. The Examiner does not even mention the feature of paying a purchase price to a financial account.

Accordingly, the Examiner has failed to establish a *prima facie* case of obviousness for Claim 20.

#### E.5. Claims 22-24 and 36

Jagadish does not hint or suggest that an applicant for a financial account is a seller of at least one item, as recited in Claims 22 and 36. The Examiner does not even mention this feature, much less provide a motivation for providing for this specific feature.

The Examiner has failed to establish a *prima facie* case of obviousness of Claims 22 (and Claims 23 and 24 dependent therefrom) and 36. We request that the Examiner reconsider the patentability of Claims 22-24 and 36.

#### E.6. Claims 23, 25, and 37

Jagadish does not hint or suggest listing at least one item for sale in exchange for a fee, as recited in Claims 23 and 37. Jagadish also does not hint or suggest offering an incentive amount in exchange for the applicant listing at least one item for sale and applying for a financial account, as generally recited in Claim 25. The Examiner does not even mention these features, much less provide any motivation for providing for such features.

The Examiner has failed to establish a *prima facie* case of obviousness of **Claims 23, 25, and 37**. We request that the Examiner reconsider the patentability of **Claims 23, 25, and 37**.

**E.7.           Claim 31**

Jagadish does not hint or suggest finalizing a sale transaction between a buyer and an applicant for a financial account, as generally recited in **Claim 31**. The Examiner does not even mention this feature, much less a motivation for providing for this specific feature.

The Examiner has failed to establish a *prima facie* case of obviousness of **Claim 31**. We request that the Examiner reconsider the patentability of **Claims 31**.

**F. Authorization to Charge Appropriate Fees**

We do not believe that any fees are necessary for this response. Please charge any appropriate fees necessary for this response and amendment, including any additional extension of time to respond.

If necessary, please charge per the following information:

Deposit Account: 50-0271

Order No.: 99-086

Please credit any overpayment to the same account.

*A duplicate copy of this authorization is enclosed for such purposes.*

## G. Conclusion

It is submitted that all of the claims are in condition for allowance. The Examiner's early re-examination and reconsideration are respectfully requested.

If the Examiner has any questions regarding this amendment or the present application, the Examiner is cordially requested to contact Michael Downs at telephone number (203) 461-7292 or via electronic mail at [mdowns@walkerdigital.com](mailto:mdowns@walkerdigital.com).

Respectfully submitted,

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Date

Michael Downs

Michael Downs  
Attorney for Applicants  
Registration No. 50,252  
[mdowns@walkerdigital.com](mailto:mdowns@walkerdigital.com)  
(203) 461-7292 /voice  
(203) 461-7300 /fax